

Press release

Acquisition of DEPFA has been completed

- **A leading provider of financing for commercial real estate and the public sector commences operations**
- **Scheme of arrangement approved by Irish High Court**
- **Capital increase of approx. 67 million shares**
- **Kurt F. Viermetz: “Convincing strategic fit of the transaction”**
- **Georg Funke: “The speed of the transaction reflects the efficiency of the new group”**

Munich/Dublin, 2 October 2007: The Hypo Real Estate Group has successfully completed the acquisition of DEPFA BANK plc (DEPFA).

The Irish High Court responsible has today approved the scheme of arrangement, which is used as the basis for carrying out the acquisition of DEPFA by Hypo Real Estate Holding AG. The shareholders of DEPFA had already approved the transaction with a strong majority on 24 September, 2007.

Capital increase of approx. 67 million shares

The Hypo Real Estate Group is financing the transaction by way of a combination of new shares of Hypo Real Estate Holding AG and cash. In total, around 67 million new shares of Hypo Real Estate Holding AG will be issued to the shareholders of DEPFA. For this purpose, the share capital of the company of currently around EUR 402 million (consisting of around 134 million shares) has been increased by approx. EUR 201 million (or approx. 67 million shares) against contribution in kind by utilising the existing authorised capital. Today’s entry of this capital increase in the Commercial Register Munich means that this transaction is now formally complete.

First day of trading is expected to be 5 October, 2007

The first day of trading at the Frankfurt Stock Exchange is then expected to be 5 October, 2007. Depending on how quickly the corresponding depository bank makes the necessary transfers, these new shares will probably be credited to the security deposit accounts of the former shareholders of DEPFA within the following days. Then the cash component will be paid as well.

Kurt F. Viermetz: Chairman of the Supervisory Board of Hypo Real Estate Holding AG: “The strategic fit of the combination of Hypo Real Estate Group and DEPFA is convincing. Hypo Real Estate Group is taking advantage of a great opportunity to ensure the strategic growth of the company. The fact that two leading financial service providers are combining their activities also demonstrates the strength of Europe as a financial centre.”

Georg Funke, CEO of Hypo Real Estate Holding AG: “The new group will become a global leader in large-scale finance. The exceptional commitment of everyone who has been involved and who has implemented this complex transaction in such a short time, and in a currently very difficult environment, already reflects the efficiency of the new group. I should like to explicitly thank the entire team for this commitment.”

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